



department for
**culture, media
and sport**

Collated responses to a consultation on the Public Lending Right rate per loan 2013

December 2012

Our aim is to improve the quality of life for all through cultural and sporting activities, support the pursuit of excellence, and champion the tourism, creative and leisure industries.

INTRODUCTION

The consultation ran from 5 November to 3 December 2012. A letter was sent to major groups representing the interests of authors, the Devolved Administrations and other key stakeholders in the public library sector in the UK. A copy of the consultation letter was made available on the DCMS website, and the link to the webpage was tweeted by the @PLR_UK Twitter account.

6 responses were received and are reproduced below.

RESPONSES TO THE CONSULTATION

1. Response from the Writers' Guild of Great Britain:

The Writers' Guild supports – and welcomes – the PLR Registrar's recommendation to increase the rate per loan to 6.20 pence for the February 2013 distribution, and we are pleased that the Department is supporting this recommendation.

Thank you for consulting the Writers' Guild of Great Britain about this matter.

2. Response from the Society of Authors:

Thank you for your letter of 5 November concerning the rate per loan payable from February 2013.

We are pleased to note that you propose an increase on the rate per loan next year from 6.05p per loan to 6.2p per loan (although the total PLR fund will continue to decline in accordance with the 15% reduction in funding in real terms over the period 2011/12 – 2014/15 following the 2010 Comprehensive Spending Review). We accept the Registrar's recommendation that the 2013 payments are made at a rate per loan of 6.2 pence but wish to make the following additional observations:

We are sad to note the decrease in the estimated loans of books registered for PLR, caused, no doubt, by the cuts in library services and the exclusion of some volunteer-run libraries from the scheme. It is our view that such libraries should be included within the PLR scheme. We attach as an appendix our letter of 21 August to Ed Vaizey regarding this and PLR on ebooks. We also urge the Government to protect the library service which is under serious threat because of local council cost-cutting.

We are, however, pleased to note that part of the recommended increase comes from savings made in the costs of running the scheme. This is a testament to the efficiency of the service provided by Jim Parker and his team and confirms the recommendations in our submission to the DCMS consultation on its proposals to transfer responsibility for managing the PLR scheme to another public body where we concluded

“The overwhelming feedback we receive from members, and the experience of the Society of Authors' staff, is that the Registrar of Public Lending Right and his staff are notably efficient and helpful.

- *The current PLR Office is light on bureaucracy, very economically run, and strong on service. A transfer to a new body would inevitably involve teething problems and increased bureaucracy.*
- *If the PLR fund is too small to meet current and promised commitments (PLR is a legal right, a point made in both UK and European law), the remedy is to increase the fund. We remain very far from convinced that any new body could administer PLR more economically than the current organisation.*
- *The current PLR Office is fully independent of government; ensuring political impartiality which DCMS has said is one of its main concerns.*
- *We have yet to see any convincing evidence that the transfer to a new body would improve the service; the Registrar and his staff have many years of expertise and experience, and the systems in place to administer the scheme.”*

PLR on audiobooks and ebooks

We also wish to remind you that s43 of the Digital Economy Act 2010 extends PLR to audiobooks and ebooks “lent out” from library premises for a limited time but these payments have never been implemented. This is patently unjust and a clear breach of the Rental and Lending Directive. We urge that this provision be brought into force and that extra funds be made available to cover PLR payments for such lending.

3. Response from the non-executive PLR Management Board:

Thank you for your letter dated 5th November inviting our comments on the proposed rate of 6.20 pence per loan. We are the non-executive PLR Management Board and are happy to hear that you support of Dr Parker’s recommendation of this rate.

4. Response from the Welsh Government:

Thank you for your letter dated 5 November regarding the above matter.

As a policy division of the Welsh Government CyMAL: Museums Archives and Libraries Wales advises the Minister for Housing, Regeneration and Heritage on a range of library issues in Wales.

We do not have any comments to make on this matter. The Minister for Housing, Regeneration and Heritage has been informed of your letter.

Thank you for consulting with CyMAL and the Minister for Housing, Regeneration and Heritage on this matter.

5. Response from the Booksellers Association:

Introduction

1.1 The Booksellers Association of the United Kingdom & Ireland welcomes the opportunity to give its views on the proposals from DCMS concerning the Public Lending Right [“PLR”] rate per loan payable to authors from February 2013.

1.2 The Booksellers Association [“BA”] is a trade association, based in London WC2, currently with 3,618 bookselling outlets in the United Kingdom & Ireland in membership, of which 1,056 relate to independent bookshops .

1.3 Our members cover a diverse range of different bookselling businesses - large High Street chains with mixed businesses (e.g. W H Smith); large specialist bookselling chains (e.g. Waterstones); independents (e.g. Daunts); library suppliers (e.g. Askews & Holts Library Services); school suppliers (e.g. Heath Educational Book Supplies); specialist internet booksellers (e.g. Eddington Hook); supermarkets (e.g. Tesco); and the two national wholesalers (Bertrams and Gardners).

1.4 BA members sell to all markets (consumer – fiction/ non-fiction/ reference/ children's; academic – academic/ professional/ school/ English Language Teaching) from terrestrial shops and over the internet in a variety of different formats (hardback, paperback, audiobook and e-book).

1.5 Many of our members have a strong business relationship with their libraries. 505 of all BA members supply libraries with printed books and e-books.

Proposed new rate

2.1 We welcome the fact that in these times of Austerity an increase in the PLR rate has, in fact, been proposed.

2.2 Without wishing to appear churlish, we had hoped that the percentage increase would mirror the rate of inflation. The latest CPI index published by the Government in October shows an annual increase of 2.7% [October], whereas the proposed PLR increase from 6.05p to 6.20p per copy loaned amounts to 2.47%. With the cost of living unlikely to fall in the foreseeable future, it does look to us as if the authors' reimbursement on lending is not keeping pace with inflation.

Inclusion of e-books

3.1 At present, authors receive no PLR payment when an e-book is loaned out.

3.2 We strongly believe that authors should be entitled to PLR earnings on e-books. As Lindsay Davies, until very recently the Chair of the Society of Authors has said: "We have earned it. It's not a benefit, it's a right. I would expect to be paid. There is no difference between e-books and print books – it is all work, produced for people to read ... It seems very obvious to me [that an e-book] is just another version of a title, in the same way that a paperback is".

3.3 Section 43 of the Digital Economy Act 2010 extends PLR to audiobooks and e-books "lent out" from library premises for a limited time, but these payments have never been implemented. Authors are entitled to equitable remuneration. We urge DCMS to bring s43 into force as soon as possible, and that extra funds be made available to cover PLR payments for such lending and that authors should be remunerated for rentals outside the s43 definition.

3.4 The failure to implement these payments would seem to us to be a clear breach of the Directive.

Libraries run by volunteers

4.1 Many local authorities have reduced their financial support to public libraries. In order to try and keep a library service going, a number of libraries have now been set up staffed by volunteers.

4.2 *We understand that books loaned by libraries staffed by volunteers would not be subjected to any PLR calculation. If this is the case, we think this extremely unfair on the authors, as these volunteer libraries are trying to do their best in emulating the services provided by professional librarians. There is no difference in functionality.*

4.3 *In our view, PLR payments should cover loans from all public libraries, irrespective as to whether or not they are staffed by volunteers.*

Future administration of PLR

5.1 *The BA believes that Jim Parker and his team in the PLR office are extremely efficient and do an excellent job. Moreover, as Registrar, Jim Parker has been independent of government and thus can be seen to be political impartial. These are valuable attributes.*

5.2 *We believe that Jim Parker should continue to act as the PLR Registrar and that the job should not be given to anyone else. We hope this request will be considered with sympathy.*

6. Response from Arts Council England:

The Arts Council supports the Registrar's recommendation that the 2013 payments are made at a rate per loan of 6.20 pence. We note that the recommended increase is in part due to savings made in the costs of running the scheme by its current administrator.



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